



South Hams
District Council

Local Housing Allowance

Information for Landlords in the South Hams



New name for Housing Benefit for tenants in privately rented accommodation



Information for Landlords

From 7th April 2008 a new form of Housing Benefit called Local Housing Allowance is being introduced. After 7th April 2008 this change will affect:

- all new housing benefit claims,
- claims where a tenant changes their address,
- claims where there has been a break in entitlement of one week or more

What is the LHA?

Local Housing Allowance is the new way of working out Housing Benefit for tenants in privately rented accommodation. It is based on two elements:

- a flat rate allowance depending on the area in which the tenant lives
- the number of rooms the tenant is adjudged to need

What is the flat rate allowance?

The Rent Service will provide LHA rates for each Broad Rental Market Area (BRMA). In South Hams there are two of these areas. At the end of each month we will publish the rates for the forthcoming month. Once we have received a claim form we will not usually change this rate for a further year.

How many rooms is a tenant allowed?

Tenants are allowed one bedroom for

- each adult couple
- any other adult (aged 16 or over)
- any two children under 10
- any two children of the same sex aged 10 to 15
- or for any other child

Who is affected?

LHA affects any landlord who enters into a deregulated private tenancy agreement with a person who is awarded Housing Benefit. It does not affect the following categories:

- Local Authority landlord who let to council tenants,
- tenancies with registered social landlords (Housing Associations),
- protected cases, such as supported housing, social landlords, charities and voluntary organisation's,
- tenancies in caravans, houseboats and hostels,

- tenancies where the rent officer decides that a substantial part of the rent is for board and attendance, such as hotel accommodation.

What happens if the rent is increased?

LHA takes no account of the actual level of rent payable. It is based on the size of the household and the room requirements. Therefore if tenants find somewhere where the actual rent is below their allowance, they will be able to keep the difference up to a maximum of £15.00 per week. But, if the rent is more than their LHA they will have to make up the difference.

How will the LHA be paid?

LHA will be paid direct to the tenant and the tenant will be responsible for paying their rent to the landlord. They will no longer have the option of asking the council to make payments to their landlord. Arrangements will therefore have to be made between the tenant and the landlord for payment of the rent.



idea: simplify the rules to allow tenants more freedom

However if a tenant is in arrears of 8 weeks or more the landlord has the right to approach the Council to ask for payments to be made direct to them. We will need to see evidence of the arrears.

We can consider paying the landlord direct if we consider that a tenant is unlikely to pay their rent or if we think that a tenant cannot handle their own affairs. However we will not operate a blanket policy and each case will be decided individually depending on the circumstances.



How can I get further information?

You can get further information on LHA from the Housing Benefit Section at the Council. We will also be inviting all landlords to attend a landlord forum early in 2008 where this will be discussed in more detail. Information can also be obtained via our website:

southhams.gov.uk.

Or come in and see us at:-

South Hams District Council
Follaton House, Plymouth Road
TOTNES, TQ9 5NE.

or telephone: **01803 861234**



To get this leaflet in another format or language tel: 01803 861234